

**CALENDAR ITEM
C05**

A 17
S 34

06/18/02
WP 8079
B. Dugal

AMENDMENT OF LEASE

LESSEE:

City of Los Angeles
Department of Water and Power
PO Box 51111
Los Angeles, California 90051-0100

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the dry lakebed of Owens Lake, Inyo County.

CURRENT AUTHORIZED USE:

Research and monitoring at the South Sand Sheet, the implementation of a shallow flooding project at the North Sand Sheet, and the construction and operation of the South Zone Dust Control Project.

LEASE TERM:

20 years, beginning May 1, 1999.

CONSIDERATION:

The public health and safety; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

PROPOSED AMENDMENT:

Amend the authorized use and lease description. All other terms and conditions of the lease shall remain in effect without amendment.

BACKGROUND INFORMATION:

The United States Environmental Protection Agency (EPA) has designated the southern part of the Owens Valley as a Serious Non-Attainment Area for PM₁₀. PM₁₀ is an abbreviated reference for suspended particulate (dust) less than or equal to ten microns in mean aerodynamic diameter (approximately 1/10 the

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diameter of a human hair). The Great Basin Unified Air Pollution Control District (District) has subsequently designated the Non-Attainment area as the "Owens Valley PM₁₀ Planning Area."

The District has determined that dust emissions from the dry lakebed of Owens Lake are responsible for causing the air in the Owens Valley PM₁₀ Planning Area to exceed the PM₁₀ national ambient air quality standards and that water diversions by the city of Los Angeles, Department of Water and Power (City), have caused Owens Lake to become dry and the lakebed to be in a condition that produces dust.

On July 28, 1998, the District and the City entered into a Memorandum of Agreement (MOA) for the control of the dust from the lakebed of Owens Lake which requires the City to implement specified dust control measures (DCMs), which includes shallow flooding, managed vegetation, and gravel, to control dust emissions at Owens Lake.

On June 14, 1999, the California State Lands Commission (Commission) authorized the issuance of Lease No. PRC 8079 to the City for the installation of the Owens Lake South Sand Sheet Air Quality and Sand Fence Monitoring System. The City's research and monitoring project is being conducted to provide data for the design and implementation of dust control measures as required by the Owens Valley PM₁₀ Planning Area Demonstration of Attainment State Implementation Plan (SIP) dated November 16, 1998.

On June 27, 2000, the Commission amended Lease No. PRC 8079 so that the City could construct and operate a shallow flooding project located on 13.5 square miles on the North Sand Sheet area of the dry lakebed of Owens Lake. On November 26, 2001, the Commission amended Lease No. PRC 8079 so that the City could construct and operate the South Zone Dust Control Project.

OTHER PERTINENT INFORMATION:

1. The City owns and/or has the right to use the lands adjoining the lease premises.
2. Based on updated air monitoring emission data collected by the City, the City proposes to reduce emissions from two extremely emissive areas at the south end of the lakebed by implementing shallow flooding on the two emissive areas. The design and construction methods of the proposed shallow flooding on these two new areas will be the same as the methods

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previously approved by the Commission for the South Zone Dust Control Project.

3. The City has submitted an application to the Commission to amend the authorized use and lease premises. The proposed amendment to the South Zone Dust Control Project involves the installation and operation of an additional 154 acres of shallow flooding. The proposed shallow flooding areas to be added are depicted on the attached Exhibit A (Area A and Area B). Area A, which is outside of the lease premises, would extend the southwest boundary of the existing Dust Control Area. Area B, which is within the lease premises, is an area where no dust control measures were previously proposed by the City.
4. The City is the Lead Agency for the California Environmental Quality Act (CEQA) and the Commission is a responsible agency for the proposed project. The City previously adopted a Mitigated Negative Declaration (August 2001/SCH No. 2001051064) for the South Zone Dust Control Project. An environmental evaluation was prepared by the City for the addition of the 154 acres of shallow flooding to the Dust Control Area. The City's evaluation indicated that the addition of the 154 acres of shallow flooding is not anticipated to result in new significant environmental effects or a substantial increase in severity of previously identified significant impacts.
5. The city of Los Angeles, Department of Water and Power, has prepared and adopted an addendum to the Mitigated Negative Declaration for the shallow flooding on the additional 154 acres on the lakebed. The Commission's staff has reviewed such document.
6. A Mitigation Monitoring Program was previously adopted by the city of Los Angeles, Department of Water and Power.

APPROVALS REQUIRED:

United States Army Corps of Engineers
California Regional Water Quality Control Board
California Department of Fish and Game

EXHIBITS:

- A. Site Map
- B. Mitigation Monitoring Program

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PERMIT STREAMLINING ACT DEADLINE:

November 1, 2002

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN ADDEMDUM TO A MITIGATED NEGATIVE DECLARATION WAS PREPARED AND ADOPTED FOR THIS PROJECT BY THE CITY OF LOS ANGELES, DEPARTMENT OF WATER AND POWER AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN EXHIBIT B, ATTACHED HERETO.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8079.9, A GENERAL LEASE - PUBLIC AGENCY USE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JUNE 18, 2002, TO AMEND THE AUTHORIZED USE AND LEASE DESCRIPTION TO AUTHORIZE THE CONSTRUCTION AND OPERATION OF AN ADDITIONAL 154 ACRES OF SHALLOW FLOODING DUST CONTROL MEASURES AS DEPICTED ON THE ATTACHED EXHIBIT A; CONSIDERATION BEING THE PUBLIC HEALTH AND SAFETY, ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.